

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below		See below	
CASH FUNDS	See below		See below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 6 would amend provisions of the Commercial Dog and Cat Operator Inspection Act. LB 6 would amend the current statutory requirements that individuals and organizations applying for a license under the act be inspected by the Department of Agriculture prior to the issuance of a license. It would also repeal the requirement that the Department inspect all program licensees at least once in a twenty-four month period. Under LB 6, the Department of Agriculture would instead be directed to establish an inspection program for applicants and licensees to determine whether the standards of care established under the Commercial Dog and Cat Operator Inspection Act are being met. The Department would also be allowed, but not required, to inspect new license applicant facilities.

The extent of funding reductions as a result of this legislation would depend upon legislative funding decisions. There would be a significant drop in activity if the intent is for the Department to revert to a complaint-driven inspection program, similar to what was in place prior to the existing inspection program. Based upon prior staffing levels, it is anticipated that a complaint-driven program could be operated with 1.5 FTE instead of the 5.5 FTE (inspection and administration) currently operating the program.

Because LB 6 has no operational date and no emergency clause, it is anticipated that soonest that the Department of Agriculture could begin to reduce the program is in the last quarter FY09-10. Because there could be additional expense to pay accumulated benefits to employees who were terminated, it is anticipated that General Fund savings in the current fiscal year would be minimal. Based upon an estimated FY10-11 budget of \$182,282 General Funds and \$155,000 Cash Funds, it is possible that a complete reduction in General Funds could be possible, assuming a complaint-driven program that is funded entirely by cash funds.